Susquehanna-Roseland Transmission Project Mitigation Concept for Resources Administered by the National Park Service (September 28, 2011 Draft)

Guiding Mitigation Principles for All Phases of the Project

The Project Sponsors will be guided by the following three principles in developing and implementing mitigation measures for the Susquehanna-Roseland Transmission Project, and the three principles will apply to all phases of the Project, including construction, operation and maintenance:

- Avoidance -- The Project Sponsors will work to avoid adverse impacts on National Park Service ("NPS") resources, and no impacts will be permitted if there are practical alternatives with less impact.
- Minimization If the Project cannot avoid causing adverse impacts on NPS resources, the Project Sponsors will take appropriate and practical steps to minimize those impacts.
- *Compensation* The Project Sponsors will provide funds and take other actions to compensate for the Project's unavoidable adverse impacts on NPS resources.

Application of Mitigation Principles

Avoidance and Minimization Measures -- The Project Sponsors will use industry-leading best management practices to avoid and minimize adverse impacts on NPS resources during construction and operation of the Project. These practices are described in the Project Sponsors' Proposed Project Plan and Standard Form 299 Information submitted to the NPS on November 21, 2008 as amended in its March 4, 2009 letter ("S-R Project SF 299"). The practices include protective measures related to:

- Topography and Grading
- Structure and Foundation Locations
- Access Road Construction
- Crane Pads for Construction
- · Removal of Existing Towers
- Foundation Installation
- Structure Erection
- Stringing Conductor
- Vegetation and Clearing

- Restoration
- Environmentally Sensitive Areas
- Staging Areas
- Construction and Rehabilitation Procedures
- Safety

The Project Sponsors recognize that the non-impairment mandate that guides NPS decisions sets a high threshold for agency approval of actions potentially affecting NPS resources. Accordingly, the Project Sponsors expect to supplement the practices described in the S-R Project SF-299 so as to achieve even higher standards for avoidance and minimization. To that end, the Project Sponsors are preparing a document entitled *Construction and Restoration Standard for National Park Service lands crossed by the Susquehanna-Roseland 500kV Transmission Project* ("CR Standards"). The CR Standards will use as a reference the Comprehensive Mitigation Plan prepared by PSE&G for the Highlands Region in New Jersey, as well as other documents and materials submitted by the Project Sponsors to local and state regulators with authority over the Project. The Project Sponsors expect to provide the CR Standards to the NPS during the public comment period for the Draft EIS.

Categorical Mitigation Plan Development and Implementation – In addition to the CR Standards, the Project Sponsors will develop, submit to the NPS for approval and, upon approval, take all appropriate measures to implement and assure compliance with mitigation plans governing the following categories of resources and activities before, during and after construction:

- Transmission Right-of-Way Vegetation Management
- Avian Protection
- Threatened and Endangered Species and Critical Habitats
- Forest Restoration
- Wetlands and Riparian Zones
- Stormwater Erosion
- Historic and Archaeological Resources
- Public Access and Education
- Viewshed Assessment

Compensatory Mitigation for Unavoidable Impacts; Establishment of Fund--The Project Sponsors will provide compensatory mitigation for unavoidable adverse impacts on NPS resources by establishing and endowing the Middle Delaware Mitigation Fund (the "Fund").

Administration -- The Fund will be administered by a not-for-profit organization with demonstrated expertise in land and resource conservation and successful collaboration with the Department of the Interior (the "Administrator").

Use of Fund -- Monies contributed to the Fund by the Project Sponsors (the "Endowment") will be used by the Administrator for the purposes of preserving, restoring and enhancing Delaware Water Gap National Recreation Area, the Middle Delaware Wild & Scenic River segment, and the Appalachian National Scenic Trail within the Delaware River basin, including reasonable costs associated with administration of the fund.

Approval and Consultation -- The Administrator will commit Endowment funds solely to projects or activities approved by the Secretary of the Interior, acting through the Assistant Secretary for Fish Wildlife & Parks, following appropriate consultation with representatives of the Commonwealth of Pennsylvania and State of New Jersey, and Delaware River basin-oriented conservation organizations and recreational interests.

Schedule for Contribution of Funds by Project Sponsors - The Project Sponsors will convey funds to the Endowment following issuance by the NPS of all permits and approvals required by the NPS to be issued to the Project Sponsors for any and all activities associated with construction, operation and maintenance of the Project, including but not limited to those permits and approvals requested by the Project Sponsors on November 21, 2008 in the S-R Project SF-299; Provided that all such permits and approvals are issued to the Project Sponsors by the NPS not later than October 1, 2012; And provided further that, the terms and conditions of such permits and approvals must be reasonable, consistent with the purpose and need for the Project, and otherwise acceptable to the Project Sponsors. The Project Sponsors will convey funds to the Endowment on the following schedule:

 Fifty (50) percent of the Endowment upon commencement of any construction-related ground- or vegetation-disturbing activities by the Project Sponsors within the boundaries of Delaware Water Gap National Recreation Area or the Appalachian National Scenic Trail; and Fifty (50) percent upon completion of construction of the Project within the boundaries of Delaware Water Gap National Recreation Area or the Appalachian National Scenic Trail and placement of the Project into service.

The Project Sponsors will take other measures to compensate for the unavoidable adverse impacts of the Project on NPS Resources, including transfer to the Secretary of the Interior of interests in certain lands now owned by the Project Sponsors located inside the boundary of Delaware Water Gap National Recreation Area.

Definitions — The following definitions apply to certain terms used in this document:

Construction-related ground or vegetation-disturbing activities - Activities by the Project Sponsors or their contractors undertaken to prepare lands or fixtures for construction of the Project, or to construct the Project, but not including routine right-of-way maintenance.

National Park Service (or NPS) Resources -- Lands, waters, animals, plants, cultural and historical sites and objects, and other natural or human-made resources under the jurisdiction of the NPS, including aesthetic values and the quality of the experience of visitors to Delaware Water Gap National Recreation Area, the Middle Delaware Wild & Scenic River segment, and segment of the Appalachian National Scenic Trail within or immediately adjacent to the Delaware Water Gap National Recreation Area.

Project - The Susquehanna-Roseland Transmission Project, as proposed by the Project Sponsors in its application to the NPS dated November 21, 2008.

Project Sponsors -- PPL and PSEG, or their affiliates.